

**REMARKS**

Please reconsider the application in view of the above amendments and the following remarks. Applicant thanks the Examiner for carefully considering this application.

**I. Disposition of Claims**

Claims 1-6 were pending in this application. Claims 3 and 6 have been canceled in this reply. Accordingly, claims 1,2, 4, and 5 are now pending in this application. Claims 1 and 4 are independent. The remaining claims depend, directly or indirectly, from claim 1 or 4.

**II. Claim Amendments**

Independent claims 1 and 4 have been amended in this reply to incorporate the subject matter of claims 3 and 6, clarifying the present invention recited. No new matter has been added by way of these amendments and these amendments are fully supported by the original specification, for example, on pages 12-13, paragraph 0033.

**III. Rejection(s) under 35 U.S.C § 102**

Claims 1, 2, 4, and 5 were rejected under 35 U.S.C. § 102 as anticipated by U.S. Patent No. 5,953,710 (“Fleming”). Claims 1 and 4 have been amended in this reply to incorporate the subject matter of claim 3 and 6. Thus, this rejection is now moot. Accordingly, withdrawal of this rejection is respectfully requested.

#### IV. Rejection(s) under 35 U.S.C § 103

Claims 3 and 6 were rejected under 35 U.S.C. § 103 as obvious over Fleming. Claims 3 and 6 have been canceled in this reply. Claims 1 and 4 have been amended in this reply to incorporate the subject matter of claims 3 and 6. For the reasons set forth below, this rejection is respectfully traversed.

Independent claim 1, as amended, directs to a system for settling financial transactions electronically, which considers procedures for tax payment. Specifically, claim 1 includes the limitation “wherein the management means divides the expense requested to be paid into tax deduction expense and non-tax deduction expense, and outputs deposits and payments of the tax deduction expense within a tax fiscal year in a predetermined output form at an end of the tax fiscal year.” Namely, it is noted that a totalized amount calculated by the electronic settlement can also be procedures used for tax payment. Thus, it is possible to substantially relieve the user of the hassle of filing tax payment because the user does not need to consider into which category (*i.e.*, tax deduction expense or non-tax deduction expense) a certain expense belongs.

Independent claim 4, as amended, is a method for electronically paying from a spending account a plurality of expenses requested by a user within a predetermined period. Specifically, claim 4 also includes the limitation “wherein the method comprises dividing the expense requested to be paid into tax deduction expense and non-tax deduction expense, and outputting deposits and payments of the tax deduction expense within a tax fiscal year in a predetermined output form at an end of the tax fiscal year.”

As noted by the Examiner, Fleming, in contrast, does not explicitly disclose the limitation as now recited in claims 1 and 4. Fleming merely discloses a scheme for

supervising credit or debit card usage. Specifically, Fleming includes a separate credit card account for a child that is linked with a parent's credit card account. Fleming allows the parent to make changes in the child's available credit without changing the total combined credit limit and available credit for the child's and parent's credit card account and without requiring bank approval. Fleming also allows the parent to enable the child to make purchases unlimited in number, a limited number of purchases, or no purchases. See Fleming, column 3, lines 11-31. Thus, Fleming is actually unrelated to an electronic settlement system that considers tax payment, as is recited in the claims. Accordingly, Fleming fails to disclose or suggest all of the limitations of amended claims 1 and 4.

Moreover, Applicant believes that the obviousness rejection is based on improper hindsight reconstruction. See MPEP §2145. The specification of this application discloses that the present invention arises from applying a scheme of electronic settlement to tax payment in a manner that has not been previously attempted. Applicant believes that this knowledge provides the only basis for the asserted obviousness of the limitations recited in amended claims 1 and 4 in view of the disclosure of Fleming. Without reference to the specification, one of ordinary skill in the art would not look to the cited prior art references to achieve the present invention.

For at least the above reasons, the claims 1 and 4, as amended, are patentable over Fleming. Dependent claims are allowable for at least the same reasons. Accordingly, withdrawal of this rejection is respectfully requested.

## **V. Conclusion**

Applicant believes this reply is fully responsive to all outstanding issues and places

this application in condition for allowance. If this belief is incorrect, or other issues arise, the Examiner is encouraged to contact the undersigned or his associates at the telephone number listed below. Please apply any charges not covered, or any credits, to Deposit Account 50-0591 (Reference Number 15115.008001).

Respectfully submitted,

Date: 4/29/04

  
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